MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2018/2019

UTS2612 – INTERNATIONAL TRADE AND SHIPPING LAW

(All Sections / Groups)

17 OCTOBER 2018
Reading Time : 9.00am until 9.15am
(15 Minutes)
Answering Time : 9.15am until 12.15pm
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. Students will have **fifteen minutes** during which they may read the paper and make rough notes ONLY in their question paper. Students then have the remaining **THREE HOURS** in which to answer the questions.

2. This Question paper consists of 3 pages with 4 Questions only.

3. Attempt **1A OR 1B** from **PART A** and answer **ALL** from **PART B.** All questions carry equal marks and the distribution of the marks for each question is given.

4. Students are only allowed to bring in CLEAN AND ORIGINAL COPY of the following statutes into the exam venue :
   i. Merchant Shipping Ordinance 1952
   ii. Carriage of Goods by Sea Act 1950
   iii. Sale of Goods Act 1957
   iv. Reciprocal Enforcement of Judgments Act 1958
   v. United Nations Convention on Contracts for the International Sale of Goods (CISG)

   "Clean" is defined to include no tagging, no annotation either by the publisher or anyone else, and no erased marking. Highlighting and underlining are also prohibited.

5. Please write all your answers in the Answer Booklet provided.

PART A

(Attempt **1A OR 1B** from this section)

Question 1A

a) James spent his holidays last week at the Telok Kemang beach, Port Dickson. Being an outdoor person he decided to get himself a jet ski. While riding on the jet ski he suffered a collision with a row boat.

Advise James whether he would be liable under the Merchant Shipping Ordinance 1952 for causing the collision?

(15 marks)

b) Discuss the procedures on the sale of ship.

(10 marks)

(Total: 25 marks)

OR

Question 1B

a) Discuss the different types of marine insurance.

(7 marks)

b) A vessel is insured for 12 months as at 1st January. During the course of trading, the ship-owner becomes aware that the vessel is unseaworthy due to leaking hatch covers but elects not to repair them. In November, the vessel runs aground as a result of negligent navigation. Would the fact that the vessel was unseaworthy at the time of the grounding enable the insurer to reject the claim in respect of the grounding?

Support your answer with decided cases.

(7 marks)

c) What is meant by "the doctrine of proximate causation" in relation to the liability of the insurer?

(4 marks)

Continued...

d) Discuss the rights of the insurer under the principle of subrogation in an insurance contract.

(7 marks)

(Total: 25 marks)

PART B

(Answer **ALL** from this section)

Question 2

International sales of goods tend to present the same difficulties as domestic sales. There must be a valid contract with the subject matter clearly agreed and the parties' respective obligations and rights should be set out in advance as far as possible to avoid problems.

In light of the above statement. Discuss briefly the requirement(s) for an agreement to be legally binding under international trade law.

(Total : 25 marks)

Question 3

"At present, Malaysia is still a captive of The Hague Rules as a result of the colonial influence of Great Britain when the rules came into effect in 1924. The Malaysian Carriage of Goods by Sea Act 1950 (COGSA) and Merchant Shipping Ordinance 1952 (MSO) have hardly been reviewed since their respective enactments decades ago." Jeremy M. Joseph in Carriage of Goods by Sea: Hague-Visby for Malaysia? [1998] 1 MLJ i .

Malaysia's reliance on The Hague Rules was probably due to its intention to protect the local merchant fleet. Discuss with reference to The Hague-Visby Rules only.

(Total : 25 marks)

Continued....

Question 4

'NYK Shipping', a shipping company incorporated and being registered in Australia, signed a contract with 'Lucky Trading', a company incorporated and registered in Malaysia to transport goods for 'Lucky Trading' from Malaysia to Vietnam.

No provisions were made in the contract to settle the disputes or which law to be applied to resolve them.

As NYK Shipping's ship delivering the goods and entering the harbor of Vietnam, the ship blew up, destroying all of Lucky Company's goods. 'Lucky Trading' Company brought an action in Vietnam. NYK Shipping Company now argues that the court does not have jurisdiction and that Vietnam's law should not be applied to decide the dispute.

Advise 'Lucky Trading' Company.

(Total : 25 marks)

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